

RESOLUTION NO. 2022/64

A RESOLUTION TO ADOPT A COUNTY-OWNED REAL PROPERTY LEASE POLICY

WHEREAS, Beaufort County ("County") through the power provided by South Carolina Code of Laws 4-9-30 has and continues to acquire real property and at times determines that it is beneficial to the County to lease all or a portion of said real property; and

WHEREAS, in order to ensure that the County is consistent and fair when leasing its real property, the County Council has determined that a formal policy regarding the application process, lease rates and the terms and conditions of the lease are clear and uniform is in the best interest of the County; and

WHEREAS, the County Council has determined that it is in the best interest of the County to adopt the County-Owned Real Property Lease Policy as shown in "Exhibit A", attached hereto and incorporated herein by reference.

NOW, THEREFORE, BE IT RESOLVED, that the County Council of Beaufort County does hereby adopt the County-Owned Real Property Lease Policy attached hereto and incorporated herein by reference in Exhibit A.

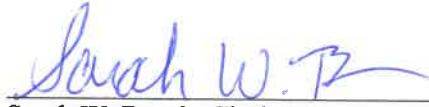
Adopted this 14th day of November, 2022.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: _____


Joseph Passiment, Chairman

ATTEST:



Sarah W. Brock, Clerk to Council

EXHIBIT A

County-Owned Real Property Lease Policy

1) **DEFINITIONS.** For purposes of this Policy, the terms are defined as follows:

- a) *Administrator.* The Beaufort County Administrator or its designee
- b) *Application.* The “Application to Lease County Real Property” form provided to the applicant who desires to lease County owned Property. The Application is substantially similar to the form provided in Exhibit A attached hereto and incorporated herein by reference.
- c) *Applicant.* The individual or agent who desires to lease County owned Property
- d) *County.* Beaufort County, a political subdivision of the State of South Carolina
- e) *Administrator.* The Administrator of Public Facilities or its designee
- f) *Law Enforcement Officer.* An individual who has the authority to perform law enforcement duties at the request of and under the supervision of an official state, municipal, or county law enforcement agency in South Carolina.
- g) *Lease Agreement.* Contract between the County and Tenant establishing the terms and conditions of the tenancy. The Lease Agreement for County owned properties is to be substantially similar to the agreement provided in Exhibit A attached hereto and incorporated herein by reference.
- h) *Lease Rate.* The monthly or yearly lease rate as compensation for the County leasing the Property to the Tenant.
- i) *Property.* Real property owned by the County and is available to be leased to a tenant.
- j) *Nonprofit Tenant.* A nonprofit organization who holds a 501(c)(3) status at the time of application and execution of the Lease Agreement *or* an organization recognized as a quasi-County agency by Beaufort County.
- k) *Policy.* Beaufort County’s “County-Owned Real Property Lease Policy”

2) **GENERAL.**

- a) The Administrator shall be responsible for overseeing the leasing of Property owned by Beaufort County in accordance with this Policy.
- b) All Lease Agreements entered into shall adhere to the Beaufort County Purchasing Ordinance, Beaufort County procurement policy, and any applicable South Carolina State Codes. If at any time the terms of this Policy conflicts with any of the aforementioned authorities, the terms of the other authority shall supersede.
- c) ***Lease Process Generally.*** The process of leasing Property must adhere to the following process:
 - 1. *Request for Lease Space.* All requests for leased real property shall be submitted to the Administrator by completing an Application.
 - 2. *Application Reviewed.* The Application is reviewed by the Administrator; multiple applications are reviewed pursuant to Section 4 of this Policy.
 - 3. *Negotiations and Staff Review.* The Administrator is responsible for negotiating the specific terms and conditions of the Lease Agreement with the Applicant, and a proposed Lease Agreement receives all of the appropriate County staff reviews and approvals .
 - 4. *County Council Approval.* Following the Administrator’s approval, the Administrator shall present the terms and conditions of the Lease Agreement to County Council for its final approval.

- 3) **LEASE RATES.** The initial Lease Rates will be determined at the time this Policy is made effective. Following the initial Lease Rates being established, the Lease Rates shall be re-established every five (5) years and be included in the County's fiscal year budget.

- a) **Determining Lease Rates.** The Lease Rates shall be at fair market value as determined by a licensed appraiser.
- b) **Regional Lease Rates.** The County must obtain Lease Rates to be applied to those Properties located North of the Broad River and Properties located South of the Broad River. The breakdown of Lease Rates shall be determined as follows:

North of the Broad River	South of the Broad River
<ul style="list-style-type: none"> Residential Property per sq ft Commercial Property: <ul style="list-style-type: none"> Office Space per sq Warehouse Space per sq ft 	<ul style="list-style-type: none"> Residential Property per sq ft Commercial Property: <ul style="list-style-type: none"> Office Space per sq Warehouse Space per sq ft

- c) **Deductions in Lease Rates.** The Lease Rate may be reduced if determined by the Administrator or Administrator that the Tenant is included in one of the following categories:

Type of Tenant	Deduction
Nonprofit Corporation	50% of Lease Rate
Law Enforcement Officer	25% of Lease Rate

The deductions provided in this Section only apply to the Lease Rate, there is no deduction in any other cost associated with the Lease Agreement (i.e. utility or maintenance costs).

- d) **Administrative Determination.** The Administrator may in its discretion reduce the lease rate to a nominal amount if determined the use of the Property is a benefit to the community that would not otherwise be available with an increased lease rate. The reduced lease rate described in this Section must be presented to County Council and receive a majority vote approval.

4) **LEASE SPACE APPLICATION.**

- a) **Application Contents.** The Application shall include, but is not limited to, the following:
- Name of organization requesting to lease County owned property, and name of the agent and its title, contact information, and tax information for applicant;
 - Identifying the County owned property that is being desired for leasing;
 - Explanation of the intended use of the Property;
 - Listing any special modifications that will need to be made to the Property; and
 - Desired term of the Lease.

The Application should be substantially similar to Exhibit A, but may be amended periodically and as deemed necessary either by the Administrator or Administrator.

- b) **Review of Application.** The Application is to be reviewed by the Administrator and is only to be deemed officially received by the County if the Application is completely filled out and all required information is provided. Specific terms and conditions of the Agreement should not be discussed with the Requestor until the Application has been provided to the County as described in this Section.

- c) ***Application Review Process.*** Upon receipt of all Applications for the Property, the Administrator should adhere to the terms of this Section and review all Applications when determining which Applicant to refer to County Council for final approval. In determining the best fit Applicant the Administrator should at minimum consider the following: term of the Agreement, the proposed use of the Lease Space, costs associated with any request for changes to Lease Space, and any other terms being requested by the Applicant.
- 5) **LEASE AGREEMENT.** The Lease Agreement shall be similar to the agreement provided in Exhibit B, attached hereto and incorporated herein by reference. The specific terms and conditions of each Lease Agreement will differ, but each Lease Agreement must include the terms and conditions described in this Section.
- a) ***Term and Renewal Clause.*** The Lease Agreement must have a specific date in which the Tenant's occupancy of the Property begins and a specific date it ends. The Lease Agreement must have a renewal clause that either 1) states the Lease Agreement shall not be renewed and if renewal is desired then said renewal must receive approval of County Council; or 2) state a specific renewal term which may be negotiated with the Tenant but must include a final termination of the Lease agreement.
 - b) ***Lease Rate Clause.*** Lease Rates shall be determined as described in Section 3 of this Policy. The Lease Rate clause must include a three (3%) inflation rate to be applied at the time of any renewal of the Lease Agreement.
 - c) ***Utility and Maintenance Clause.*** The Lease Agreement must state that the Tenant is solely responsible for all utility costs and routine maintenance during the term of its occupancy, but it is acknowledged that the definition of "utility" and "routine maintenance" may be determined on a case by case basis as determined appropriate by the Administrator.